

AUDIT COMMITTEE REPORT

The Audit Committee, formed on 24 October 2012 comprising of 6 members have been entrusted to oversee financial reporting, evaluate the internal and external audit process as well as to review conflict of interest situations and related party transactions.

Name of Directors	Designation	Number of Meetings Attended
Baljeet Kaur Grewal A/P Jaswant Singh (Chairman) ¹	Independent Non-Executive Director	4/4
Dato' Choo Chuo Siong	Independent Non-Executive Director	4/4
Navid Chamdia	Non-Independent Non-Executive Director	3/4
Dato' Mearia @ Massahariah binti Hamzah ²	Independent Non-Executive Director	4/4
Dato' Seri Mohamed Azahari bin Mohamed Kamil ³	Independent Non-Executive Director	1/1
Nor Rejina binti Abdul Rahim ³	Independent Non-Executive Director	1/1
Dato' Mohzani bin Abdul Wahab ⁴	Independent Non-Executive Director	3/3
Dato' Maznah binti Abdul Jalil ⁵	Independent Non-Executive Director	3/3

1 appointed as member on 12 October 2022 and redesignated as Chairman on 7 August 2023

2 appointed on 3 January 2023

3 appointed on 7 August 2023

4 ceased as Chairman due to retirement as director on 28 July 2023

5 ceased as member due to retirement as director on 28 July 2023

Summary of work undertaken by Audit Committee during the year under review are as listed below :-

- reviewed and deliberated with the Manager's management the quarterly financial results to recommend to the Board for approval and release to Bursa Malaysia. Consideration was given by Audit Committee to understand financial results of each properties with close attention given to update under "Prospects"
- reviewed list of related party transactions every quarter to determine whether there has been any material change as compared to the previous quarter and whether the transactions have been established under normal commercial terms that are no less favourable than those arranged with independent parties
- reviewed the internal control plans prepared by BDO Governance Advisory Sdn Bhd ("BDO GA") on health and safety review with BDO Consulting Sdn Bhd on cyber security posture review (both parties being referred to as "BDO")
- on 26 October 2023, a meeting was held by Audit Committee with BDO to assess the internal control review reports prepared by them. BDO gave explanation on findings of review, proposed recommendations and corresponding Manager's responses, which were noted by the Audit Committee
- reviewed audit plan with external auditor, KPMG PLT by understanding its audit methodology, significant risk areas and accounting policies/disclosures and timing. KPMG PLT were also asked of its succession planning of its key personnel leading the audit and sufficiency of resources.
- on 24 January 2024, the Audit Committee was briefed privately by KPMG PLT (without presence of the Manager's management) on status of its audit
- reviewed and commented on the audit committee report and statement of risk management and internal control for inclusion into the integrated annual report
- evaluated the work scope, approach and fees to outsourced internal auditor and recommended for their engagement
- evaluated the approach and fees of external auditor and recommended for their engagement for the following year

Audit and Non-Audit Fees

Audit and non-audit fees payable to the external auditor of Pavilion REIT for the current financial year amounted to RM255,000 and RM163,000 respectively.